CENTRAL INTELLIGENCE AGENCY

# INFORMATION REPORT



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SECURITY INFORMATION

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*THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.*
*THE APPRAISAL OF CONTENT IS TENTATIVE.*
*(FOR KEY SEE REVERSE)*

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1. Pyrites are the most important raw material imported into Czechoslovakia for the Czechoslovak chemical industry and, together with sulphuric acid, which is obtained from pyrites, form the indispensable raw material for many Czechoslovak industries. an embargo on the export of pyrites from the West would greatly curtail industrial production in Czechoslovakia. 25X1

2. The chemical and paper and cellulose industries were the only industries in Czechoslovakia needing pyrites for their sulphur products. The Czechoslovak chemical and paper and cellulose industries' planned requirement of pyrites for the year 1953 was 360,000 tn., the planned requirement of the chemical industry being 276,000 tn. and the planned requirement of the paper and cellulose industry being 84,000 tn. These figures compare with requirements of 300,000 tn. of pyrites for 1951 and 330,000 tn. of pyrites for 1952. The increases in 1952 and 1953 are results of the increasing capacity of the chemical industry. The total quantities of pyrites needed were determined on the basis of an assumed sulphur content of 42% and on the further assumption that 39 kg. of sulphur would yield 100 kg. of 100% sulphuric acid.

25 YEAR RE-REVIEW

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(Note: Washington Distribution Indicated By "X"; Field Distribution By "#".)

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3. Following is a breakdown of the chemical industry's requirements of pyrite products for 1953:

| Plant Name | For Production of | Weight in tons |
|---|---|---|
| J. Dimitrov Plant, Bratislava | Sulphuric Acid | 49,000 |
| Hrusov Chemical Works, Ostrava | " " | 49,000 |
| Jodasta Natl. Enterprise, Kazuejov /4953N-1324E/ | " " and Superphosphate | 7,000 |
| Lucebni Zavody (Pharmaceutical Works) in Kolin /5002N-1512E/ | Sulphuric Acid and Superphosphate | 22,500 |
| Vah Chemical Works, Kostolany /R49-E35/ | Superphosphate | 5,000 |
| United Chemical Works, Lovosice /5021N-1404E/ | Sulphuric Acid and Superphosphate | 5,500 |
| Hrusov Chemical Works, Petrovice-Bohumin /4955N-1818E/ | Sulphuric Acid and Superphosphate | 10,000 |
| Chemical Works Postorna /4845N-1652E/ | Sulphuric Acid and Superphosphate | 11,000 |
| Chemical Works (formerly Syntesia) Prerov /4927N-1727E/ | Sulphuric Acid and Superphosphate | 36,000 |
| Syntesia, Semtin (Pardubice) | Sulphuric Acid | 9,000 |
| Chemical Works, Slatinany /4955N-1549E/ (formerly property of Count Traut Mannsdorf) | Sulphuric Acid and Superphosphate | 3,000 |
| United Chemical Works, Usti nad Labem | Sulphuric Acid and Superphosphate | 49,000 |
| Vah Chemical Works, Zilina | Sulphuric Acid and Superphosphate | 5,000 |
| | | 276,000 |

4. Following is a breakdown of the paper and cellulose industry's requirements of pyrite products for 1953:

| Plant Name | Weight in tons |
|---|---|
| Krkonose Paper Mills, Hostinne /5033N-1544E/ | 3,300 |
| Paper Mills, Jindrichov /5015N-1731E/ | 3,000 |
| Moravian Paper Mills, Lukavice /5012N-1618E/ | 1,500 |
| South Bohemian Paper Mills, Vetrni /4846N-1417E/ | 5,500 |
| Paper Mills "Vltavsky Mlyn", Loucovice /4838N-1415E/ | 3,000 |
| Paper Mills, Piseona - Supikovice /5018N-1715E/ | 3,500 |
| West Bohemian Paper Mills, Pilsen | 3,000 |
| Solo Cellulose Plant, Ruzomberok /4905N-1919E/ | 12,000 |

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| Plant Name | Weight in tons |
|---|---|
| Supra Cellulose Plant, Ruzomberok | 9,500 |
| Paper Mills, Vratimov /4956N-1819E/ | 9,000 |
| Vah Cellulose Plants, Turcansky svaty Martin /4904N-1856E/ | 9,600 |
| Cellulose Works, Harmanec /4849N-1903E/ | 3,600 |
| "Slavosovske" Paper Mills, Gemerska Horka /R49-D62/ | 5,500 |
| | 84,000 |

5. The cinders which result from the roasting of pyrites are very important raw materials for iron production as they contain about 50% iron, and in respect to purity, composition, and iron content, they are equal to Swedish iron ore. The 360,000 tn. of pyrites needed in Czechoslovakia for 1953 will give, after roasting, about 250,000 tn. of cinders.

6. Pyrites also contain variable quantities of nonferrous metals, mainly copper, which are extracted from the pyrite cinders before they are smelted. In Czechoslovakia, pyrite cinders containing even very small proportions of copper, such as 0.35%, were forwarded to the Vitkovice Iron Works in Ostrava-Vitkovice for winning of the copper. (In the West, the copper is extracted only from pyrite cinders with a much higher percentage of copper.) The planned copper requirements of the Czechoslovak chemical industry for 1953 were about 470 tn. This copper was to be supplied by the Czechoslovak metallurgical industry from its processing of pyrite cinders.

7. The chemical and paper and cellulose industries' planned requirements of pyrites for the year 1953 were to be fulfilled by domestic production of about 200,000 tn. and imports of about 170,000 tn. [redacted] The following is a breakdown of planned pyrite imports for 1953: 25X1

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|---|---|---|
| Albania | 5,000 tn. | |
| Bulgaria | 25,000 tn. | from mines in Elschitza (dispatch station in Ruscuk /4350N-2500E/) |
| Rumania | 30,000 tn. | from mines in Baia Mare /4740N-2335E/ and Baia Sprie /4740N-2342E/ |
| Area VI (pyrites of whatever origin when paid for in sterling) | 55,000 tn. | |
| Area V [redacted] | 55,000 tn. | 25X1 |

8. The 170,000 tn. of pyrites which were to be imported for 1953 would give about 120,000 tn. of cinders. In addition to these imports of pyrites, Czechoslovakia was importing yearly a certain quantity, perhaps 30,000 to 50,000 tn., of pyrite cinders [redacted] 25X1 These cinders contained a proportion of copper sufficient so that it would have been extracted in the West. However, as these imports of cinders were handled by Metalimex A.S. [redacted] 25X1 25X1

9. The procurement of pyrites for import to Czechoslovakia was extremely difficult from 1948 to the second half of 1952. From the time immediately following the Communist coup in February 1948 until the beginning of 1951, all stocks of pyrites in Czechoslovakia were exhausted and there was not enough money to buy pyrites abroad. Since 1951 foreign currencies have been allotted for buying pyrites abroad, but during 1951 and for the first half of 1952 the situation of sulphur on the world market was such that Chemapol A.S. could purchase only the minimum quantities of pyrites which were needed for Czechoslovak industries. These pyrites were of poor quality and Chemapol had to pay very high prices for them in dollars. This situation deteriorated to such an extent that in April 1952 the two largest cellulose factories in Ruzomberok had to stop production temporarily and all Czechoslovak production of superphosphates was curtailed in order to free sulphuric acid for other purposes. In the second half of 1952 the free world market of sulphur returned to normalcy. The supply situation of pyrites for Czechoslovakia ameliorated rapidly, and on the world market pyrites were offered for 1953 in any quantities and at normal prices.

10. Czechoslovakia has been attempting to avoid dependence on the West for imports of pyrites. In the near future, however, no increase in imports of pyrites can be expected from Bulgaria, Rumania, or Albania. Of these countries, Albania alone has some limited possibilities for increased output of pyrites, but because of primitive mining equipment and lack of transportation facilities these possibilities cannot soon be realized. Import of pyrites from the USSR is out of the question because of transportation difficulties. Czechoslovakia imported from the USSR in 1949, 1950, and 1951, 1,000 tn. of sulphuric acid yearly. However, this was an exceptional measure and sulphuric acid cannot be imported from the USSR on a continuous basis because of a complete lack of Czechoslovak tank cars. The loss of imports of Yugoslavian pyrites affected Czechoslovakia greatly. Although there have been no trade agreements between these two countries, some quantities of Yugoslavian pyrites were still imported into Czechoslovakia via devious routes.

11. Eastern Germany, Poland, and Hungary were in the same difficult supply situation for pyrites as Czechoslovakia. In addition to this, those of the Eastern Block countries which were exporting pyrites were planning in their Five-Year Plans for construction of new factories for sulphuric acid production. When these factories are constructed, the export of pyrites from these countries will probably diminish.

12. The bulk of pyrite imports into Czechoslovakia must continue to come from the West, and because of the tremendous importance of this material for industrial production, an embargo on pyrite imports would cause extreme difficulties in the Czechoslovak economy and in the economy of other countries of the Soviet orbit. Up to the present time no restrictions at all have been imposed on pyrite deliveries from West to East.